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AS AT SEPTEMBER 30, 2007

**September 2007 highlights**

- ❑ In September 2007, the consolidated budgetary balance for the purposes of the *Balanced Budget Act* shows revenue running ahead of expenditure by \$1.1 billion.
- ❑ Budgetary revenue amounts to \$5.7 billion, an increase of \$562 million compared to last year. Own-source revenue stands at \$4.6 billion, while federal transfers amount to \$1.1 billion.
- ❑ Program spending amounts to \$4.0 billion, comparable to last year's amount.
- ❑ Debt service stands at \$565 million, up \$46 million compared to September 2006.
- ❑ The net results of the Generations Fund amount to \$25 million.

**SUMMARY OF CONSOLIDATED BUDGETARY TRANSACTIONS**

(millions of dollars)

(Unaudited data)

	September		April to September		2007-2008 Budget	
	2006 <sup>1</sup>	2007	2006-2007 <sup>1</sup>	2007-2008	2007-2008	Growth %
<b>BUDGETARY REVENUE</b>						
Own-source revenue	4 195	4 600	23 495	24 396	47 953	- 2.7
Federal transfers	932	1 089	5 442	6 534	13 174	19.6
<b>Total</b>	<b>5 127</b>	<b>5 689</b>	<b>28 937</b>	<b>30 930</b>	<b>61 127</b>	<b>1.4</b>
<b>BUDGETARY EXPENDITURE</b>						
Program spending	- 4 070	- 3 988	- 26 126	- 27 137	- 53 913	4.1
Debt service	- 519	- 565	- 3 401	- 3 453	- 7 244	4.0
<b>Total</b>	<b>- 4 589</b>	<b>- 4 553</b>	<b>- 29 527</b>	<b>- 30 590</b>	<b>- 61 157</b>	<b>4.1</b>
<b>NET RESULTS OF CONSOLIDATED ORGANIZATIONS</b>	<b>- 49</b>	<b>- 67</b>	<b>114</b>	<b>- 20</b>	<b>30</b>	<b>—</b>
Additional deposit in the Generations Fund	—	—	—	—	- 200	—
Use of part of the budgetary reserve	—	—	—	—	200	—
<b>CONSOLIDATED BUDGETARY BALANCE FOR THE PURPOSES OF THE BALANCED BUDGET ACT</b>	<b>489</b>	<b>1 069</b>	<b>- 476</b>	<b>320</b>	<b>0</b>	<b>—</b>
Net results of the Generations Fund <sup>2</sup>	—	25	—	156	653	—
<b>CONSOLIDATED BUDGETARY BALANCE</b>	<b>489</b>	<b>1 094</b>	<b>- 476</b>	<b>476</b>	<b>653</b>	<b>—</b>

<sup>1</sup> Some comparative figures for 2006-2007 have been reclassified for consistency with the presentation adopted in 2007-2008.

<sup>2</sup> The Generations Fund began operations on January 1, 2007.



## MONTHLY REPORT ON FINANCIAL TRANSACTIONS

### Cumulative results as at September 30, 2007

#### Budgetary balance

- ☐ For the first half of the current year, the consolidated budgetary balance for the purposes of the *Balanced Budget Act* shows revenue exceeding expenditure by \$320 million. This is an improvement of \$796 million compared to last year's results.

#### Budgetary revenue

- ☐ Budgetary revenue since the beginning of the year amounts to \$30.9 billion, an increase of \$2.0 billion compared to the same period last year.
- ☐ Own-source revenue stands at \$24.4 billion, \$901 million more than as at September 30, 2006. This improvement is attributable in particular to the growth of the economy, resulting in increased revenue from personal income tax and the sales tax.
- ☐ Federal transfers amount to \$6.5 billion for the first six months of the current fiscal year, an increase of \$1.1 billion compared to the same period in 2006-2007.

#### Budgetary expenditure

- ☐ As at September 30, 2007, budgetary expenditure amounts to \$30.6 billion, an increase of \$1.1 billion compared to last year.
- ☐ Program spending is up by \$1.0 billion compared to last year and stands at \$27.1 billion. The most significant changes are in the health and social services (\$511 million) and the education and culture (\$363 million) missions.
- ☐ Debt service amounts to \$3.5 billion, up \$52 million compared to September 30, 2006.

#### Generations Fund

- ☐ The net results of the Generations Fund amount to \$156 million.

#### Net financial requirements

- ☐ For the period from April to September 2007, net financial requirements stand at \$1.7 billion, a decline of \$1.7 billion compared to last year.
- ☐ This reduction is attributable to the \$952-million improvement in the budgetary balance and a decline in non-budgetary requirements of \$755 million.

# MONTHLY REPORT ON FINANCIAL TRANSACTIONS

## CONSOLIDATED BUDGETARY AND FINANCIAL TRANSACTIONS

(millions of dollars)

(Unaudited data)

	September			April to September		
	2006	2007	Changes	2006-2007	2007-2008	Changes
<b>BUDGETARY REVENUE</b>						
Own-source revenue	4 195	4 600	405	23 495	24 396	901
Federal transfers	932	1 089	157	5 442	6 534	1 092
<b>Total</b>	<b>5 127</b>	<b>5 689</b>	<b>562</b>	<b>28 937</b>	<b>30 930</b>	<b>1 993</b>
<b>BUDGETARY EXPENDITURE</b>						
Program spending	- 4 070	- 3 988	82	- 26 126	- 27 137	- 1 011
Debt service	- 519	- 565	- 46	- 3 401	- 3 453	- 52
<b>Total</b>	<b>- 4 589</b>	<b>- 4 553</b>	<b>36</b>	<b>- 29 527</b>	<b>- 30 590</b>	<b>- 1 063</b>
<b>NET RESULTS OF CONSOLIDATED ORGANIZATIONS</b>						
	- 49	- 67	- 18	114	- 20	- 134
<b>CONSOLIDATED BUDGETARY BALANCE FOR THE PURPOSES OF THE <i>BALANCED BUDGET ACT</i></b>						
	489	1 069	580	- 476	320	796
Net results of the Generations Fund	—	25	25	—	156	156
<b>CONSOLIDATED BUDGETARY BALANCE</b>	<b>489</b>	<b>1 094</b>	<b>605</b>	<b>- 476</b>	<b>476</b>	<b>952</b>
Consolidated non-budgetary surplus (requirements)	- 861	- 752	109	- 2 939	- 2 184	755
<b>CONSOLIDATED NET FINANCIAL SURPLUS (REQUIREMENTS)</b>	<b>- 372</b>	<b>342</b>	<b>714</b>	<b>- 3 415</b>	<b>- 1 708</b>	<b>1 707</b>

## MONTHLY REPORT ON FINANCIAL TRANSACTIONS

### CONSOLIDATED REVENUE FUND REVENUE

(millions of dollars)

(Unaudited data)

Revenue by source	September			April to September		
	2006	2007	Changes %	2006-2007	2007-2008	Changes %
<b>BUDGETARY REVENUE</b>						
<b>Own-source revenue excluding government enterprises</b>						
Income and property taxes						
Personal income tax	2 055	2 175	5.8	8 597	9 557	11.2
Contributions to Health Services Fund	440	462	5.0	2 597	2 669	2.8
Corporate taxes	146	101	- 30.8	1 848	1 911	3.4
Consumption taxes	1 104	1 492	35.1	6 344	6 917	9.0
Other sources	205	177	- 13.7	1 218	1 387	13.9
<b>Total</b>	<b>3 950</b>	<b>4 407</b>	<b>11.6</b>	<b>20 604</b>	<b>22 441</b>	<b>8.9</b>
<b>Revenue from government enterprises</b>	<b>245</b>	<b>193</b>	<b>- 21.2</b>	<b>2 891</b>	<b>1 955</b>	<b>- 32.4</b>
<b>Total own-source revenue</b>	<b>4 195</b>	<b>4 600</b>	<b>9.7</b>	<b>23 495</b>	<b>24 396</b>	<b>3.8</b>
<b>Federal transfers</b>						
Equalization	467	597	27.8	2 739	3 580	30.7
Health transfers	300	308	2.7	1 802	1 849	2.6
Transfers for post-secondary education and other social programs	87	114	31.0	521	685	31.5
Other programs	78	70	- 10.3	380	420	10.5
<b>Total federal transfers</b>	<b>932</b>	<b>1 089</b>	<b>16.8</b>	<b>5 442</b>	<b>6 534</b>	<b>20.1</b>
<b>TOTAL BUDGETARY REVENUE</b>	<b>5 127</b>	<b>5 689</b>	<b>11.0</b>	<b>28 937</b>	<b>30 930</b>	<b>6.9</b>

### CONSOLIDATED REVENUE FUND EXPENDITURE

(millions of dollars)

(Unaudited data)

Expenditures by mission	September			April to September		
	2006	2007	Changes %	2006-2007	2007-2008	Changes %
<b>BUDGETARY EXPENDITURE</b>						
<b>Program spending</b>						
Health and Social Services	1 722	1 728	0.3	11 096	11 607	4.6
Education and Culture	1 050	1 020	- 2.9	7 079	7 442	5.1
Economy and Environment	510	499	- 2.2	3 106	3 250	4.6
Support for Individuals and Families	429	425	- 0.9	2 582	2 653	2.7
Administration and Justice	359	316	- 12.0	2 263	2 185	- 3.4
<b>Total program spending</b>	<b>4 070</b>	<b>3 988</b>	<b>- 2.0</b>	<b>26 126</b>	<b>27 137</b>	<b>3.9</b>
<b>Debt service</b>	<b>519</b>	<b>565</b>	<b>8.9</b>	<b>3 401</b>	<b>3 453</b>	<b>1.5</b>
<b>TOTAL BUDGETARY EXPENDITURE</b>	<b>4 589</b>	<b>4 553</b>	<b>- 0.8</b>	<b>29 527</b>	<b>30 590</b>	<b>3.6</b>

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